Commissioners,

The USF is a scam. The ILECs get all of the benefit and the overhead associated with collection is a drop in the bucket to them. Even the concept of the USF in a largely "fully developed" country is flawed... good for 1952 not for 2002.

For CLECs, ISPs, and emerging wireless carriers (who will likely try and differentiate based on broadband capabilities) this is a frontal assault. The most costly part of establishing one of these businesses is not the network infrastructure but instead the backoffice (OSS) environment... and this ruling will make it even more costly.

All in all, one more blow against a competitive telecom industry. As the President has said, there are times when you have to choose sides. Do *not* go down this path unless you actually intend to be used by your regulatees as an anti-competitive weapon.

"Doctor, it hurts when I do that."
"Don't do that."

Yours,

Dan Geer

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